

WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the 19 day of March,
74, between the City of Lawrenceburg

City Hall, Lawrenceburg, Kentucky 40342

(Address)

hereinafter referred to as the "Seller" and the South Anderson Water District

P. O. Box 211, Lawrenceburg, Kentucky 40342

(Address)

hereinafter referred to as the "Purchaser",

WITNESSETH:

Whereas, the Purchaser is organized and established under the provisions of K R 6 74 of the
Code of Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution
system serving water users within the area described in plans now on file in the office of the Purchaser and to accomplish
this purpose, the Purchaser will require a supply of treated water, and

Whereas, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the
present customers of the Seller's system and the estimated number of water users to be served by the said Purchaser as shown
in the plans of the system now on file in the office of the Purchaser, and

Whereas, by Resolution No. _____ enacted on the 19th day
February, 19 74, by the Seller, the sale of water to the Purchaser in accordance

the provisions of the said Resolution was approved, and the execution of this contract
carrying out the said Resolution by the City of Lawrenceburg
and attested by the Secretary, was duly authorized, and

Whereas, by Resolution of the Board of Commissioners
of the Purchaser, enacted on the 18th day of February, 19 74,

the purchase of water from the Seller in accordance with the terms set forth in the said Resolution
was approved, and the execution of this contract by the South Anderson Water District, and
attested by the Secretary was duly authorized;

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of
this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky
Health Department and Anderson County Board of Health

in such quantity as may be required by the Purchaser not to exceed 500,000 gallons per month.

Continuation of The Purchaser Agrees, #2

percentage of inaccuracy found by such tests. If any meter fails to register for any period the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on or about the same day of each month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of 40 (Forty) years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.
2. (Delivery of Water) That 30 days prior to the estimated date of completion of construction of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing the date for the initial delivery of water.
3. (Water for Testing) When requested by the Purchaser the Seller will make available to the contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing, and trench filling the system of the Purchaser during construction, irrespective of whether the metering equipment has been installed at that time, at a flat charge of \$ 0.39/1000 gal which will be paid by the contractor or, on his failure to pay, by the Purchaser.
4. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.
5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at the end of every one (1) year period. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall not include increased capitalization of the Seller's system. Other provisions of this contract may be modified or altered by mutual agreement.
6. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.
7. (Miscellaneous) That the construction of the water supply distribution system by the Purchaser is being financed by a loan made or insured by, and/or a grant from, the United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and the provisions hereof pertaining to the undertakings of the Purchaser are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.
8. (Successor to the Purchaser) That in the event of any occurrence rendering the Purchaser incapable of performing under this contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in four counterparts, each of which shall constitute an original.

Seller:

CITY OF LAWRENCEBURG, KENTUCKY

By Kenneth L. Hookins

Title MAYOR

Attest:

Elyse C. Hooks
Secretary

Purchaser:

SOUTH ANDERSON WATER DISTRICT

By Alton Warford

Title CHAIRMAN

Attest:

Alton Warford 3-13-74
Secretary

This contract is approved on behalf of the Farmers Home Administration this 22 day of March, 19 74.

By Lytle T. Harmon

Title Chief, Community Program

SECOND AMENDMENT TO WATER PURCHASE CONTRACT

This Second Amendment of Contract for sale and purchase of water is entered into on this the 8th day of September, 1986, by and between the City of Lawrenceburg, City Hall, Lawrenceburg, Kentucky, 40342, hereinafter referred to as the "Seller", and the South Anderson Water District, P.O. Box 211, Lawrenceburg, Kentucky, 40342, hereinafter referred to as the "Purchaser",

W I T N E S S E T H :

WHEREAS, on March 22, 1974, the Seller herein entered into a water purchase contract named and entitled, "USDA-FHA, Form FHA 442-30 (3-4-68)," said contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on September 4, 1979, the Seller herein entered into an "Amendment to Water Purchase Contract," said Amendment to Water Purchase Contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, the Purchaser wishes to re-confirm and ratify each and every word, term, phrase, and figure therein, save and except the presently current rate paid for water per gallon, the length of the term of said contract, and the maximum quantity of gallons per month; and,

WHEREAS, by Resolution enacted on September 8, 1986, by the Board of Commissioners of said Purchaser authorizing said ratification and said proposed second amendment and further authorizing the execution of this ratification and second amendment by its Chairman, and further by Resolution enacted on September 8, 1986, by the Board of Council of the City of Lawrenceburg authorizing the Mayor to execute this ratification and second amendment.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements herein set forth, it is agreed as follows:

1. The Seller and Purchaser agree that each and every term, word, phrase, sentence and figure of the original water purchase contract, dated March 22, 1974, and the amendment dated September 4, 1979, by and between the parties is hereby ratified and re-confirmed, save and except as hereinafter set forth.

II. The Seller Agrees:

A. (Quality and Quantity) To furnish the Purchaser at the point of delivery specified in the original contract, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the appropriate Kentucky Water Standards Department, and the Anderson County Board of Health, in such quantity as may be required by the Purchaser not to exceed 5.0 million gallons per month.

III. The Purchaser agrees:

A. (Rates and Payment Date) To pay the Seller, not later than the 28th day of each month, for water delivered in accordance with the terms of the original contract as amended herein, the sum of \$.89 cents ^{AW x 100} per 1,000 gallons for water.

IV. It is further mutually agreed between the Seller and the Purchaser that the term of this contract shall extend for a period of forty years from and after the date of this contract, and thereafter may be renewed or extended for such term or terms, as may be agreed upon by the Seller and Purchaser.

V. There are attached hereto and incorporated herein, photocopies of the original water purchase contract dated March 22, 1974, and the amendment to the water purchase contract dated September 4, 1979.

IN WITNESS THEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this ratification and amendment of contract to be duly executed in four counterparts, each which shall constitute an original.

SELLER: City of Lawrenceburg, Kentucky

By: Kenneth P. Hoskins
Kenneth P. Hoskins, Mayor

ATTEST:

Elizabeth C. Hanks
Elizabeth C. Hanks, Clerk

PURCHASER: South Anderson Water District

By: Alton Warford
Alton Warford, Chairman

ATTEST:

George W. Kinne
George Kinne, Secretary

This ratification and amendment of contract is approved on behalf of
the Farmers Home Administration on this 3rd day of ~~September, 1986.~~ ^{February, 1987 JEL}

BY James A. Little

Title Community & Business Programs Specialist
FmHA

THIRD AMENDMENT TO WATER PURCHASE CONTRACT

This Third Amendment of Contract for sale and purchase of water is entered into on this the 13th day of May, 1991, by and between the **CITY OF LAWRENCEBURG**, City Hall, Lawrenceburg, Kentucky, 40342, hereinafter known and referred to as the "Seller", and the **SOUTH ANDERSON WATER DISTRICT**, Court Street, Lawrenceburg, Kentucky, 40342, hereinafter referred to as the "Purchaser".

W I T N E S S E T H :

WHEREAS, on March 22, 1974, the Seller herein entered into a water purchase contract named and entitled, "USDA-FHA, Form FHA 442-30 (3-4-68)," said contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on September 4, 1979, the Seller herein entered into an "Amendment to Water Purchase Contract," said Amendment to Water Purchase Contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on September 8, 1986, the Seller herein entered into a "Second Amendment to Water Purchase Contract," said second amendment to water purchase contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, the Purchaser wishes to re-confirm and ratify each and every word, term, phrase, and figure therein, save and except the maximum quantity of gallons per month; and,

WHEREAS, by Resolution by the Board of Commissioners of said Purchaser authorizing said ratification and proposed third amendment and further authorizing the execution of this ratification and third amendment by its Chairman, and further, by Resolution enacted on May 13, 1991, by the Board of Council of the City of Lawrenceburg authorizing the Mayor to execute this ratification and third amendment.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements herein set forth, it is agreed as follows:

I. The Seller and Purchaser agree that each and every word,

term, phrase, sentence and figure of the original water purchase contract, dated March 22, 1974, and the amendment dated September 4, 1979, and the second amendment dated September 8, 1986, by and between the parties is hereby ratified and re-confirmed, save and except as hereinafter set forth.

II. The Seller Agrees:

A. (Quality and Quantity) To furnish the Purchaser at the point of delivery specified in the original contract, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the appropriate Kentucky Water Standards Department, and the Anderson County Board of Health, in such quantity as may be required by the Purchaser not to exceed ten million gallons per month.

III. The Purchaser Agrees:

A. (Rates and Payment Date) To pay the Seller, not later than the 28th day of each and every month, for water delivered in accordance with the terms of the original contract as amended heretofore, at the to be charged by the Seller per City Ordinance.

IV. It is mutually agreed between the Seller and the Purchaser that the term of this Contract shall extend for a period of forty years from and after the date of this Contract, and thereafter may be renewed or extended for such term or terms, as may be agreed upon the Seller and Purchaser.

IN TESTIMONY THEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this ratification and amendment of contract to be duly executed in four counterparts, each which shall constitute an original.

SELLER:

CITY OF LAWRENCEBURG, KENTUCKY

BY: Kenneth P. Hoskins
Kenneth P. Hoskins, Mayor

ATTEST:

Edwinna Baker
Edwinna Baker, Clerk

PURCHASER:
SOUTH ANDERSON WATER DISTRICT

BY: Bob Kincer
Bob Kincer, Chairman

ATTEST:

George Kinne
George Kinne, Secretary

D. Water Service Charges

Rates and charges for the use of the service and facilities of the system are established and prescribed, effective in the manner and upon the respective dates hereinafter set forth, as follows:

1. Metered Water Service

- a. All water meters shall be read monthly, and the following rates and charges shall be applied to the meter-readings, and billed, collected and enforced; no distinction being made as between users and customers inside and outside the corporate limits of the City (except as indicated):

<u>Gallons</u>		<u>Rates per Month</u>
First	2,000	\$7.80 minimum
Next	8,000	2.20 per 1000 gal.
Next	20,000	1.90 per 1000 gal.
Next	30,000	1.65 per 1000 gal.
Next	40,000	1.42 per 1000 gal.
Next	100,000	1.36 per 1000 gal.
Next	300,000	1.31 per 1000 gal.
Next	500,000	1.25 per 1000 gal.

- b. \$8.89 minimum rate for customers outside City limits.

- c. Water districts shall pay straight rate of \$1.17 per 1000 gallons (Effective October 8, 1991).

2. Private Fire Protection Rates

Private fire hydrant standard	\$5.00 per hydrant per month
Sprinkler system with six inch connection	\$18.00 per connection per month
Sprinkler system with eight inch connection	\$30.00 per connection per month

3. Temporary Special Arrangements

In the matter of furnishing water service upon a temporary basis to circuses, carnivals, tent meetings, outdoor athletic events (other than those carried on by the public schools), and other miscellaneous temporary uses, a flat rate may be fixed in each individual case and the service charge shall be paid in advance.

A true copy attests:
Channing R. R. R.
City Clerk
City of Louisville, Kentucky 4034

4. Applicants for water and sewer service must place an \$100 deposit with the City. This payment may be refunded if the applicant maintains a good payment record for one year after service has begun.

E. Sewer Service Charges

1. Premises with metered water connections. The following rates and charges shall be applied to the meter readings for water service in order to determine the monthly sewer service charge that shall be billed, collected and enforced:

Rates and Charges

Gallons of Water Used		Sewer Rates
First	2,000	\$7.80 minimum
Next	8,000	3.10 per 1000 gal.
Next	20,000	2.70 per 1000 gal.
Next	30,000	2.40 per 1000 gal.
Next	40,000	1.95 per 1000 gal.
Next	100,000	1.85 per 1000 gal.
Next	300,000	1.75 per 1000 gal.
Next	500,000	1.67 per 1000 gal.

2. Alton Water and Sewer District. The Alton Water and Sewer District shall be charged monthly for sewer service provided by the City treatment plant, the sum of \$1.35 for each 1,000 gallons of wastewater delivered to the City by those customers connected to the Alton Sewer System.

F. Exceptions in Application of Sewer Charges.

The City recognizes certain exceptional situations wherein adjustments in the manner of applying sewer service charges should be permitted, and provision is made for the same as follows:

1. Where more than 20% of the water used by the owner or occupant of any premises during the year does not flow into the sanitary sewer, the percentage in excess of 20% shall be excluded from the calculation of the sewer service rates and charges herein provided. It shall be the burden of the owner or occupant of any such premises to prove to the City that more than 20% of the water used on such premises during the year does not flow into the sanitary sewer, and such burden shall be deemed to be met only upon a showing by the sewer user, to the satisfaction of the City, that the quantity thereof is accurately measured by means of a standard water meter. In the event the sewer user has no such evidence, a water meter for such purpose may be provided by the City upon

A true copy attests:

Edward A. Baker

City, Kentucky 40342

FOURTH AMENDMENT TO WATER PURCHASE CONTRACT

This Fourth Amendment of Contract for sale and purchase of water is entered into on this the 9 day of November, 1992, by and between the CITY OF LAWRENCEBURG, City Hall, Lawrenceburg, Kentucky, 40342, hereinafter referred to as the "Seller", and the SOUTH ANDERSON WATER DISTRICT, Court Street, Lawrenceburg, Kentucky, 40342, hereinafter referred to as the "Purchaser".

W I T N E S S E T H :

WHEREAS, on March, 1974, the Seller herein entered into a water purchase contract named and entitled, "USDA-FHA, Form FHA 442-30 (3-4-68)," said contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on September 4, 1979, the Seller herein entered into an "Amendment to Water Purchase Contract," said Amendment to Water Purchase Contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on September 8, 1986, the Seller herein entered into a "Second Amendment to Water Purchase Contract," said second amendment to water purchase contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, on May 13, 1991, the Seller herein entered into a "Third Amendment to Water Purchase Contract," said third amendment to water purchase contract providing for the purchase of water and setting forth certain terms and conditions of said purchase; and,

WHEREAS, the Purchaser wishes to re-confirm and ratify each and every word, term, phrase, and figure therein, save and except the duration of the term of said contract; and,

WHEREAS, by Resolution by the Board of Commissioners of said Purchaser authorizing said ratification and proposed fourth amendment and further authorizing the execution of this ratification and fourth amendment by its Chairman, and further, by Resolution enacted on November 9, 1992, by the Board of Council of the City of

Lawrenceburg, authorizing the Mayor to execute this ratification and fourth amendment.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements herein set forth, it is agreed as follows:

I. The Seller and Purchaser agree that each and every word, term, phrase, sentence and figure of the original water purchase contract, dated March 22, 1974, and the amendment dated September 4, 1979, the second amendment dated September 8, 1986, and the third amendment dated May 13, 1991, by and between the parties is hereby ratified and re-confirmed, save and except as hereinafter set forth.

II. The Seller Agrees:

A. (Quality and Quantity) To furnish the Purchaser at the point of delivery specified in the original contract, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the appropriate Kentucky Water Standards Department, and the Anderson County Board of Health, in such quantity as may be required by the Purchaser not to exceed ten million gallons per month.

III. The Purchaser Agrees:

A. (Rates and Payment Date) To pay the Seller, not later than the 28th day of each and every month, for water delivered in accordance with the terms of the original contract as amended heretofore, at the rate to be charged by the Seller per City Ordinance.

IV. It is mutually agreed between the Seller and the Purchaser that the term of this Contract shall extend for a period of forty-five (45) years from and after the date of this Contract, and thereafter may be renewed or extended for such term or terms, as may be agreed upon by the Seller and Purchaser.

IN TESTIMONY THEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this ratification and amendment of contract to be duly executed in four counterparts, each which shall constitute an original.

SELLER:

CITY OF LAWRENCEBURG, KENTUCKY

BY: Kenneth P. Hoskins
Kenneth P. Hoskins, Mayor

ATTEST:

Edwinna Baker
Edwinna Baker, Clerk

PURCHASER:

SOUTH ANDERSON WATER DISTRICT

BY: Bob Kincer
Bob Kincer, Chairman

ATTEST:

George Kihne
George Kihne, Secretary

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Lawrenceburg Wholesale Water Rates for Water Districts

RECEIVED
SEP 20 1994
P.S.C.
RATES & RESEARCH DIV.

CITY OF LAWRENCEBURG
Water District Rates: \$0.00117 per/gal.

Base Gals/Rate	Total Gallons	Rate	Chgs	Accum Chgs
0.000	0.000	0.00117	0.000	
2000.000	2000.000	0.00117	2.340	2.340
8000.000	10000.000	0.00117	9.360	11.700
20000.000	30000.000	0.00117	23.400	35.100
30000.000	60000.000	0.00117	35.100	70.200
40000.000	100000.000	0.00117	46.800	117.000
100000.000	200000.000	0.00117	117.000	234.000
300000.000	500000.000	0.00117	351.000	585.000
500000.000	1000000.000	0.00117	585.000	1170.000

Effective October 8, 1991

RECEIVED

SEP 19 1994

PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 07 1994

PURSUANT TO 807 KAR 5011,
SECTION 9(1)
BY: Charles C. Neel
FOR THE PUBLIC SERVICE COMMISSION